

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re:

Chapter 15

PB LIFE AND ANNUITY CO., LTD., et al.,

Case No. 20-12791 (LGB)
(Jointly Administered)

Debtors in Foreign Proceedings.

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UNIVERSAL LIFE INSURANCE COMPANY,

Plaintiff,

-v-

Adv. Proc. No. 21-01169

GREG E. LINDBERG, individually, CHRIS
HERWIG, individually, AAPC HOLDINGS, LLC,
ACADEMY FINANCIAL ASSETS, LLC, AGH
PARENT, LLC, ALPINE CAPITAL, LLC, ASIM
HOLDINGS, LLC, ASL HOLDINGS, LLC,
ATKINSON, LLC, ATLANTIC COAST LIFE
INSURANCE COMPANY, ATLAS FINANCIAL
INVESTMENTS, LLC, AUGUSTA ASSET
MANAGEMENT, INC., BEGONIA EIGHT, LLC,
BLH CAPITAL, LLC, BLUE DAFFODIL, LLC,
BLUE VIOLET, LLC, CAPITAL ASSETS FUND I,
LLC, CAPITAL ASSETS FUND II, LLC, CAPITAL
ASSET MANAGEMENT I, LLC, CAPITAL
ASSETS MANAGEMENT II, LLC, CAPITAL
ASSETS MANAGEMENT III, LLC, CARNATION
THREE, LLC, CHATSWORTH ASSET
MANAGEMENT, LLC, CHRYSANTHEMUM
TWO, LLC, CSI INTERCO, LLC, DAHLIA TEN,
LLC, DAISY SEVEN, LLC, DRUMMOND GROUP,
LLC, DUNHILL HOLDINGS, LLC, ELI GLOBAL,
LLC, ENGLERT HOLDINGS, LLC, EPPING, LLC,
ERIE PROPERTIES, LLC, FLAGSHIP HOLDINGS,
LLC, FLEET ASSIST INTERCO LIMITED,
FLOWERY BRANCH, LLC, FORSYTH, LLC,
FORTREX, LLC, GBIG CAPITAL, LLC, GBIG
HOLDINGS, INC., GBI GROUP, LLC, GERANIUM
TWO, LLC, GILFORD ASSET MANAGEMENT,
LLC, GLOBAL BANKERS INSURANCE GROUP,

LLC, GLOBAL GROWTH HOLDINGS, INC.,
GLOBAL INSURANCE CAPITAL, LLC,
GREENFIELD CAPITAL, LLC, HAMPTON ASSET
MANAGEMENT, INC., HANSEN AEROSPACE,
LLC, HEALTHLINK HOLDINGS, LLC,
HOOKSETT, LLC, HUTCHISON LAW GROUP,
PLLC, INTEGRITY EMR HOLDINGS, LLC,
INTEGRITY EMR, LLC, IRON CITY ASSET
MANAGEMENT, INC., ITECH FUNDING, LLC,
JACKSON ASSET MANAGEMENT, INC., KITE
ASSET MANAGEMENT, INC., LILAC SIX, LLC,
MACON, LLC, MORNING MOUNTAIN
HOLDINGS, LLC, NETHERLANDS INSURANCE
HOLDINGS, INC., NEW ENGLAND CAPITAL,
LLC, NIH CAPITAL, LLC, NOM GB 2018 I, LLC,
PARADIGM PARK HOLDINGS, LLC,
PARALLEL
CAPITAL ASSETS, LLC, PERSHING, LLC, RED
BEGONIA, LLC, REVOLVERCAP PARTNERS
FUND, LP, SATORI WATERS, LLC, SEDWICK,
LLC, SENTINEL SECURITY LIFE INSURANCE
COMPANY, SOMERSWORTH, LLC, STANDARD
ADVISORY SERVICES, LTD, STANDARD
FINANCIAL LIMITED, STANDARD
INVESTMENT CAPITAL, LTD, TREATMENT
RESOURCES OF MARGATE, INC., TRITON
FINANCIAL LIMITED, TUX HOLDINGS, LLC,
TYBEE ISLAND ASSET MANAGEMENT, LLC,
UKAT HOLDINGS, LLC, UKAT INVESTMENT
LIMITED, VERDESIA LIFE SCIENCES, LLC,
WEARE, LLC, YELLOW LOTUS, LLC, YELLOW
SUNFLOWER, LLC, UBS FINANCIAL
SERVICES,
INC., GOLDMAN SACHS LENDING PARTNERS,
LLC, CREDIT SUISSE AG CAYMAN ISLANDS
BRANCH, GOLDMAN SACHS BANK USA,
MORGAN STANLEY SENIOR FUNDING, INC.,
THE BRYN MAWR TRUST COMPANY, and
DOES 1 through 10, inclusive,

Defendants.

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**ORDER DISMISSING ADVERSARY PROCEEDING FOR LACK OF SUBJECT
MATTER JURISDICTION**

WHEREAS, on July 6, 2021, ULICO commenced this proceeding (the “Adversary Proceeding”) by filing the complaint [ECF No. 1] in the United States Bankruptcy Court for the Southern District of New York;

WHEREAS, on July 30, 2021, ULICO filed its First Amended Complaint [ECF No. 14] (the “Adversary Complaint”);

WHEREAS, on October 1, 2021, defendant Hutchison PLLC (“Hutchison”) filed a motion to dismiss the Adversary Complaint [ECF No. 65];

WHEREAS, on October 1, 2021, defendants Atkinson, LLC, Begonia Eight, LLC, Blue Daffodil, LLC, Blue Violet, LLC, Carnation Three, LLC, Chrysanthemum Two, LLC, Dahlia Ten, LLC, Daisy Seven, LLC, Epping, LLC, Flowery Branch, LLC, Forsyth, LLC, Geranium Two, LLC, Hookset, LLC, Lilac Six, LLC, Macon, LLC, Red Begonia, LLC, Somersworth, LLC, Weare, LLC, Yellow Lotus, LLC, and Yellow Sunflower, LLC (collectively, the “Flower Defendants”) filed a motion to dismiss the Adversary Complaint [ECF No. 68];

WHEREAS, on October 1, 2021, defendant Hansen Aerospace, LLC (“Hansen”) filed a motion to dismiss the Adversary Complaint [ECF No. 71];

WHEREAS, on October 1, 2021, defendants Greg Lindberg, Academy Financial Assets, LLC, Alpine Capital, LLC, Atlas Financial Investments, LLC, Augusta Asset Management, LLC, Capital Assets Management I, LLC, Capital Assets Management II, LLC, Capital Assets Management III, LLC, CSI Interco, LLC, Eli Global, LLC, GBI Group, LLC, GBIG Capital, LLC, GBIG Holdings, LLC, Global Insurance Capital, LLC, Hampton Asset Management, LLC, Iron City Asset Management, LLC, Jackson Assets Management, LLC, Kite Asset Management, LLC, New England Capital, LLC, Parallel Capital Assets, LLC, Tybee Island Asset Management, LLC, AGH Parent, LLC, ASiM Holdings, LLC, ASL Holdings, LLC, BLH

Capital, LLC, Capital Assets Fund I, LLC, Capital Assets Fund II, LLC, Chatsworth Asset Management, LLC, Drummond Group, LLC, Dunhill Holdings, LLC, Englert Holdings, LLC, Flagship Holdings, LLC, Fortrex, LLC, Gilford Asset Management, LLC, Global Growth Holdings, Inc., Greenfield Capital, LLC, Healthlink Holdings, LLC, Integrity EMR Holdings, LLC, Integrity EMR, LLC, iTech Funding, LLC, Netherlands Insurance Holdings, Inc., NIH Capital, LLC, Sedwick, LLC, and UKAT Holdings, LLC (collectively, the “Lindberg Defendants”) filed a motion to dismiss the Adversary Complaint [ECF No. 75];

WHEREAS, on October 11, 2021, defendant Christopher Herwig filed a motion to dismiss the Adversary Complaint [ECF No. 80];

WHEREAS, on October 11, 2021, defendants Atlantic Coast Life Insurance Company and Sentinel Security Life Insurance Company (together, the “Insurance Defendants”) filed a motion to dismiss the Adversary Complaint [ECF No. 84];

WHEREAS, on November 1, 2021, defendant AAPC Holdings, LLC (“AAPC”) filed a motion to dismiss the Adversary Complaint [ECF No. 99];

WHEREAS, on December 13, 2021, Global Bankers Insurance Group, LLC (“Aspida Financial”) filed a motion to dismiss the Adversary Complaint [ECF No. 116];

WHEREAS, on December 23, 2021, Morgan Stanley Senior Funding, LLC (“Morgan Stanley”) filed a motion to dismiss the Adversary Complaint [ECF No. 123];

WHEREAS, on December 6, 2021, ULICO filed an omnibus response in opposition to the motions to dismiss filed by Hutchison, the Flower Defendants, Hansen, the Lindberg Defendants, Christopher Herwig, the Insurance Defendants, and AAPC (collectively, the “Moving Defendants”) [ECF No. 111];

WHEREAS, on January 12, 2022, ULICO filed responses in opposition to the motions to dismiss filed by Morgan Stanley [ECF No. 130] and Aspida Financial [ECF No. 131];

WHEREAS, on January 20, 2022, the Court held a case management conference on the motions to dismiss filed by the Moving Defendants, Morgan Stanley, and Aspida Financial. At the case management conference, ULICO indicated that it wished to file a motion seeking leave to file a second amended complaint;

WHEREAS, on January 21, 2022, the Court entered a scheduling order setting the deadlines with respect the motion seeking leave to file a second amended complaint;

WHEREAS, on February 25, 2022, ULICO filed a Motion for Leave to File Second Amended Complaint [ECF No. 159] (“Motion for Leave to Amend”);

WHEREAS, on March 18, 2022, Aspida Financial, Morgan Stanley, Hutchison, the Lindberg Defendants, and Atkinson filed objections to the Motion for Leave to Amend [ECF Nos. 163, 165, 166, 168, 169];

WHEREAS, on March 28, 2022, ULICO filed a reply in support of the Motion for Leave to Amend; and

WHEREAS, on April 14, 2022, the Court held a hearing with respect to the Motion for Leave to Amend the Complaint.

NOW, THEREFORE:

1. For all of the reasons set forth on the record of the hearing, the Court finds that it does not have subject matter jurisdiction with respect to the Adversary Proceeding under 28 U.S.C. §1334(b). Accordingly, the Adversary Proceeding is dismissed.

2. This Court retains jurisdiction to resolve all matters arising under or related to the interpretation, implementation, and enforcement of this Order.

Dated: New York, New York
April 15, 2022

/s/ Lisa G. Beckerman
HONORABLE LISA G. BECKERMAN
UNITED STATES BANKRUPTCY JUDGE